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C O N F I D E N T I A L STATE 103558

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E.O. 12958: DECL: 09/30/2019
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SUBJECT: WHA ASSISTANT SECRETARY SHANNON'S SEPTEMBER 29,
2009 CONVERSATION WITH NICARAGUAN FOREIGN MINISTER SANTOS

Classified By: WHA Assistant Secretary Thomas A. Shannon for
reasons 1.4 (d)

11. (SBU) September 29, 2009; 2:30 p.m.; New York, NY, USA.

12. (SBU) Participants:

U.S.
WHA Assistant Secretary Thomas A. Shannon
Anthony Miranda (WHA Notetaker)

Nicaragua
Foreign Minister Samuel Santos Lopez
Ambassador Jaime Hermida Castillo, Deputy UN PermRep
Roberto Leal Ocampo, Director General for European Affairs

13. (C) SUMMARY. WHA Assistant Secretary Thomas Shannon met with Nicaraguan Foreign Minister Samuel Santos Lopez on the margins of the UN General Assembly. Santos expressed his concerns about events in Honduras. He said members of the pro-Zelaya resistance were in Nicaragua looking for weapons. In what Santos described as a fortuitously timed phone call, Nicaraguan President Daniel Ortega spoke with A/S Shannon during the meeting and also raised arms-trafficking concerns.

Santos suggested strong U.S. economic sanctions would bring the de facto regime to its knees.

14. (C) Unrelated to Honduras, Santos showed A/S Shannon press clippings he thought demonstrated the Nicaraguan media's unfair and inaccurate treatment of the Ortega administration. Finally, Santos requested U.S. assistance in arranging a meeting with World Bank President Richard Zoellick during Santos' Oct 19-30 trip to Washington, DC. Santos suggested he could meet with U.S. Congress members and the Secretary during this visit as well. END SUMMARY.

Nicaraguan Concerns About Arms Trafficking

15. (C) Shortly after Foreign Minister Santos and A/S Shannon sat down to speak, Santos received an "unexpected" call from Nicaraguan President Daniel Ortega. Santos invited A/S Shannon to speak with the president. The president expressed worry over the Honduras crisis. Ortega said growing frustration in Honduras could lead to violence, and noted that members of the pro-Zelaya resistance were in Nicaragua looking for weapons. Ortega said his government had deflected these overtures, but he was very worried about increasing radicalization of the popular sectors in Honduras. After the telephone call concluded, Santos echoed Ortega's concerns about arms trafficking.

SICA Summit Proposal

¶16. (C) Santos said he contacted the foreign ministers of El Salvador and Guatemala to enlist their support for an informal Central American Integration System (SICA) discussion at the head-of-state level on regional arms trafficking due to the Honduras crisis and to discuss how best to fashion a solution to the stalemate.

Nicaragua Suggests Economic Sanctions Against Honduras

¶17. (C) Santos suggested the United States impose economic sanctions against the de facto regime to bring Micheletti to the bargaining table. A/S Shannon explained that broad economic sanctions would do more harm to the average Honduran worker than to the de factos. American companies would have to look elsewhere to satisfy their need for textiles and other goods if sanctions prevented them from doing business with Honduran factories, A/S Shannon said. Instead, A/S Shannon noted, we were using tightly focused sanctions aimed at those in the private sector and military who supported the coup.

Nicaraguan Media Treatment of Ortega Administration

¶18. (C) Apart from Honduras, Santos showed A/S Shannon examples of what he thought demonstrated the Nicaraguan media's ill treatment of the Ortega administration, including from outlets receiving USAID support.

Santos, Oct. 19-30 Trip to Washington

¶19. (C) Santos requested U.S. help in securing meetings with Work Bank President Robert Zoellick during Santos' October 19-30 trip to Washington, DC. He expressed concern over some of the World Bank's economic policies towards Nicaragua. Santos suggested he could meet with members of Congress during the same trip. He also floated the idea of meeting with the Secretary, noting other Central American foreign ministers have done so. A/S Shannon noted he would identify new Congress member with whom Santos could meet.
CLINTON